

HOUSE BILL No. 1689

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1-16-42; IC 6-1.1; IC 8-14-9-12; IC 8-22-3-16; IC 12-29; IC 14-27-6-40; IC 14-33-11; IC 16-22; IC 20-46-7-8; IC 20-47-4-6; IC 20-48-1-8; IC 36-3-5-8; IC 36-5-2-11; IC 36-7; IC 36-9; IC 36-10.

Synopsis: Referendum for property tax secured debt. Requires lease rentals or bond issues for local capital projects that will cost more than \$2,000,000 to be approved at a local referendum if the preliminary determination to enter into the lease or issue bonds is made after June 30, 2007. Provides that the petition and remonstrance process applies if the preliminary determination to enter into the lease or issue bonds is made before July 1, 2007. Makes conforming amendments.

Effective: July 1, 2007.

Frizzell

January 26, 2007, read first time and referred to Committee on Ways and Means.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1689

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-1-16-42 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 42. (a) When the
3 authority, the board of trustees or board of managers of the hospital, the
4 board of commissioners of the county, and a majority of the county
5 council have agreed upon the terms and conditions of any lease
6 proposed to be entered into under section 38 or 39 of this chapter, and
7 before the final execution of the lease, the county auditor shall give
8 notice by publication of a public hearing to be held in the county by the
9 board of commissioners. The hearing shall take place on a day not
10 earlier than ten (10) days after the publication of the notice. The notice
11 of the hearing shall be published one (1) time in a newspaper of general
12 circulation printed in the English language and published in the county.
13 The notice shall do the following:
14 (1) Name the day, place, and hour of the hearing.
15 (2) Set forth a brief summary of the principal terms of the lease
16 agreed upon, including the character and location of the property
17 to be leased, the lease rental to be paid, and the number of years



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the contract is to be in effect.

(3) State a location where the proposed lease, drawings, plans, specifications, and estimates may be examined.

The proposed lease and the drawings, plans, specifications, and estimates of construction cost for the building shall be open to inspection by the public during the ten (10) day period and at the hearing. All interested persons shall have a right to be heard at the hearing on the necessity for the execution of the lease and whether the lease rental under the lease is fair and reasonable. The hearing may be adjourned to a later date with the place of the hearing fixed prior to adjournment. Following the hearing, the board of commissioners may either authorize the execution of the lease as originally agreed upon or may make modifications that are agreed upon by the authority, the board of trustees or board of managers of the hospital, and the county council. The authorization shall be by an order that is entered in the official records of the board of commissioners. The lease contract shall be executed on behalf of the county by the board of commissioners.

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a newspaper of general circulation printed in the English language and published in the county. Except as provided in subsection (d), ten (10) or more taxpayers in the county whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease or that the lease rental under the lease is not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease that sets forth the taxpayers' objections and facts supporting those objections. Upon the filing of a petition, the county auditor shall immediately certify a copy of the petition together with such other data as may be necessary in order to present the questions involved to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place in the affected county for the hearing of the matter that is not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the department of local government finance to the board of county commissioners and to the first ten (10) taxpayer petitioners upon the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing.

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be

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instituted at any time later than thirty (30) days after publication of notice of the execution of the lease, or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.

(d) The authority for taxpayers to object to a proposed lease under subsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~ **IC 6-1.1-20.**

SECTION 2. IC 6-1.1-18-3, AS AMENDED BY P.L.2-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

- (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each one hundred dollars (\$100) of assessed valuation in territory outside the corporate limits of a city or town; or
- (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each one hundred dollars (\$100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following purposes:

- (1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.
- (2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.
- (3) To pay the principal or interest upon:
 - (A) an obligation issued by the political subdivision to meet an emergency which results from a flood, fire, pestilence, war, or any other major disaster; or
 - (B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.
- (4) To pay the principal or interest upon an obligation issued in the manner provided in:
 - (A) IC 6-1.1-20-3 (before its repeal); or

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(B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2 (in the case of a preliminary determination made before July 1, 2007, to issue bonds or enter into a lease); or

(C) IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6 (in the case of a preliminary determination made after June 30, 2007, to issue bonds or enter into a lease).

(5) To pay a judgment rendered against the political subdivision.

(6) To meet the requirements of the family and children's fund for child services (as defined in IC 12-19-7-1).

(7) To meet the requirements of the county hospital care for the indigent fund.

(8) To meet the requirements of the children's psychiatric residential treatment services fund for children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1).

(c) Except as otherwise provided in IC 6-1.1-19, IC 6-1.1-18.5, IC 20-45, or IC 20-46, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

SECTION 3. IC 6-1.1-18.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

(b) A civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~; **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable**, unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

(1) incur the bonded indebtedness; or

(2) enter into the lease.

The department of local government finance may seek

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1 recommendations from the local government tax control board
 2 established by section 11 of this chapter when determining whether to
 3 authorize incurring the bonded indebtedness or the execution of the
 4 lease.

5 (c) The department of local government finance shall render a
 6 decision within three (3) months after the date it receives a request for
 7 approval under subsection (b). However, the department of local
 8 government finance may extend this three (3) month period by an
 9 additional three (3) months if, at least ten (10) days before the end of
 10 the original three (3) month period, the department sends notice of the
 11 extension to the executive officer of the civil taxing unit. A civil taxing
 12 unit may petition for judicial review of the final determination of the
 13 department of local government finance under this section. The petition
 14 must be filed in the tax court not more than forty-five (45) days after
 15 the department enters its order under this section.

16 (d) A civil taxing unit does not need approval under subsection (b)
 17 to obtain temporary loans made in anticipation of and to be paid from
 18 current revenues of the civil taxing unit actually levied and in the
 19 course of collection for the fiscal year in which the loans are made.

20 (e) For purposes of computing the ad valorem property tax levy
 21 limits imposed on a civil taxing unit by section 3 of this chapter, the
 22 civil taxing unit's ad valorem property tax levy for a calendar year does
 23 not include that part of its levy that is committed to fund or pay bond
 24 indebtedness or lease rentals with an original term of five (5) years in
 25 subsection (a).

26 (f) A taxpayer may petition for judicial review of the final
 27 determination of the department of local government finance under this
 28 section. The petition must be filed in the tax court not more than thirty
 29 (30) days after the department enters its order under this section.

30 SECTION 4. IC 6-1.1-20-3.1, AS AMENDED BY P.L.2-2006,
 31 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2007]: Sec. 3.1. **(a) This section applies only to a controlled
 33 project for which the proper officers of a political subdivision
 34 make a preliminary determination before July 1, 2007, to issue
 35 bonds or enter into a lease.**

36 **(b)** A political subdivision may not impose property taxes to pay
 37 debt service or lease rentals without completing the following
 38 procedures:

39 (1) The proper officers of a political subdivision shall:

40 (A) publish notice in accordance with IC 5-3-1; and

41 (B) send notice by first class mail to any organization that
 42 delivers to the officers, before January 1 of that year, an annual

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1 written request for such notices;
 2 of any meeting to consider adoption of a resolution or an
 3 ordinance making a preliminary determination to issue bonds or
 4 enter into a lease and shall conduct a public hearing on a
 5 preliminary determination before adoption of the resolution or
 6 ordinance.

7 (2) When the proper officers of a political subdivision make a
 8 preliminary determination to issue bonds or enter into a lease, the
 9 officers shall give notice of the preliminary determination by:

10 (A) publication in accordance with IC 5-3-1; and

11 (B) first class mail to the organizations described in
 12 subdivision (1)(B).

13 (3) A notice under subdivision (2) of the preliminary
 14 determination of the political subdivision to issue bonds or enter
 15 into a lease must include the following information:

16 (A) The maximum term of the bonds or lease.

17 (B) The maximum principal amount of the bonds or the
 18 maximum lease rental for the lease.

19 (C) The estimated interest rates that will be paid and the total
 20 interest costs associated with the bonds or lease.

21 (D) The purpose of the bonds or lease.

22 (E) A statement that any owners of real property within the
 23 political subdivision who want to initiate a petition and
 24 remonstrance process against the proposed debt service or
 25 lease payments must file a petition that complies with
 26 subdivisions (4) and (5) not later than thirty (30) days after
 27 publication in accordance with IC 5-3-1.

28 (F) With respect to bonds issued or a lease entered into to
 29 open:

30 (i) a new school facility; or

31 (ii) an existing facility that has not been used for at least
 32 three (3) years and that is being reopened to provide
 33 additional classroom space;

34 the estimated costs the school corporation expects to incur
 35 annually to operate the facility.

36 (G) A statement of whether the school corporation expects to
 37 appeal for a new facility adjustment (as defined in
 38 IC 20-45-1-16) for an increased maximum permissible tuition
 39 support levy to pay the estimated costs described in clause (F).

40 (4) After notice is given, a petition requesting the application of
 41 a petition and remonstrance process may be filed by the lesser of:

42 (A) one hundred (100) owners of real property within the

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political subdivision; or

(B) five percent (5%) of the owners of real property within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following

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the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 5. IC 6-1.1-20-3.2, AS AMENDED BY P.L.2-2006, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.2. **(a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination before July 1, 2007, to issue bonds or enter into a lease.**

(b) If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in ~~section 3.1(1)(B)~~ **section 3.1(b)(1)(B)** of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision. Each signature on a petition must be dated, and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county auditor under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county

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auditor's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition or remonstrance forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

- (A) the carrier and signers must be owners of real property;
- (B) the carrier must be a signatory on at least one (1) petition;
- (C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;
- (D) govern the closing date for the petition and remonstrance period; and
- (E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners. The county auditor may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county auditor shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county auditor within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county auditor must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within fifteen (15) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county auditor may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision.

(6) If a greater number of owners of real property within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or

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the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county auditor's certificate under subdivision (5). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(7) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance required by:

(A) IC 6-1.1-18.5-8; or

(B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

SECTION 6. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 3.5. (a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination after June 30, 2007, to issue bonds or enter into a lease.**

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices;

of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the ordinance or resolution.

(2) Whenever the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary

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determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16) for an increased maximum permissible tuition support levy to pay any estimated costs described in clause (F).

SECTION 7. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.6. (a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination after June 30, 2007, to issue bonds or enter into a lease.

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision)

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1 issue bonds or enter into a lease to finance _____
 2 (insert the name of the controlled project)?".

3 (d) The county auditor shall certify the public question
 4 described in subsection (c) under IC 3-10-9-3 to the county election
 5 board of the county that contains the greatest percentage of
 6 population of the political subdivision. After the public question is
 7 certified, the public question shall be placed on the ballot at the
 8 next primary or general election in which all voters of the political
 9 subdivision are entitled to vote.

10 (e) The circuit court clerk shall certify the results of the public
 11 question to the following:

12 (1) The county auditor of each county in which the political
 13 subdivision is located.

14 (2) The department of local government finance.

15 (f) If a majority of the voters voting on the public question vote
 16 in favor of the public question, the department of local government
 17 finance shall take prompt and appropriate steps to notify the
 18 political subdivision that the political subdivision may issue the
 19 proposed bonds or enter into the proposed lease rental.

20 (g) If a majority of the voters voting on the public question vote
 21 in opposition to the public question, both of the following apply:

22 (1) The political subdivision may not issue the proposed bonds
 23 or enter into the proposed lease rental.

24 (2) Another public question under this section on the same or
 25 a substantially similar project may not be submitted to the
 26 voters earlier than one (1) year after the date of the election.

27 (h) IC 3, to the extent not inconsistent with this section, applies
 28 to an election held under this section.

29 SECTION 8. IC 6-1.1-20-9 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) When the proper
 31 officers of a political subdivision decide to issue bonds payable from
 32 property taxes to finance a public improvement, they shall adopt an
 33 ordinance or resolution which sets forth their determination to issue the
 34 bonds. Except as provided in subsection (b), the political subdivision
 35 may not advertise for or receive bids for the construction of the
 36 improvement until the expiration of the latter of: after:

37 (1) the expiration of the time period within which taxpayers may
 38 file a petition for review of or a remonstrance against the
 39 proposed issue in the case of a proposed issue that is subject to
 40 section 3.1 of this chapter;

41 (2) the proposed issue is approved in an election on a local
 42 public question held under section 3.6 of this chapter in the

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1 **case of a proposed issue that is subject to section 3.5 of this**
 2 **chapter; or**

3 ~~(2)~~ **(3)** the time period during which a petition for review of the
 4 proposed issue is pending before the department of local
 5 government finance.

6 (b) When a petition for review of a proposed issue is pending before
 7 the department of local government finance, the department may order
 8 the political subdivision to advertise for and receive bids for the
 9 construction of the public improvement. When the department of local
 10 government finance issues such an order, the political subdivision shall
 11 file a bid report with the department within five (5) days after the bids
 12 are received, and the department shall render a final decision on the
 13 proposed issue within fifteen (15) days after it receives the bid report.
 14 Notwithstanding the provisions of this subsection, a political
 15 subdivision may not enter into a contract for the construction of a
 16 public improvement while a petition for review of the bond issue which
 17 is to finance the improvement is pending before the department of local
 18 government finance.

19 SECTION 9. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006,
 20 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2007]: Sec. 10. (a) This section applies **only** to a political
 22 subdivision that adopts an ordinance or a resolution making a
 23 preliminary determination **before July 1, 2007**, to issue bonds or enter
 24 into a lease. During the period commencing with the adoption of the
 25 ordinance or resolution and, if a petition and remonstrance process is
 26 commenced under section 3.2 of this chapter, continuing through the
 27 sixty (60) day period commencing with the notice under ~~section 3.2(1)~~
 28 **section 3.2(b)(1)** of this chapter, the political subdivision seeking to
 29 issue bonds or enter into a lease for the proposed controlled project
 30 may not promote a position on the petition or remonstrance by doing
 31 any of the following:

32 (1) Allowing facilities or equipment, including mail and
 33 messaging systems, owned by the political subdivision to be used
 34 for public relations purposes to promote a position on the petition
 35 or remonstrance, unless equal access to the facilities or equipment
 36 is given to persons with a position opposite to that of the political
 37 subdivision.

38 (2) Making an expenditure of money from a fund controlled by
 39 the political subdivision to promote a position on the petition or
 40 remonstrance or to pay for the gathering of signatures on a
 41 petition or remonstrance. This subdivision does not prohibit a
 42 political subdivision from making an expenditure of money to an

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attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.

(3) Using an employee to promote a position on the petition or remonstrance during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the petition or remonstrance at any time.

(4) In the case of a school corporation, promoting a position on a petition or remonstrance by:

(A) using students to transport written materials to their residences or in any way directly involving students in a school organized promotion of a position; or

(B) including a statement within another communication sent to the students' residences.

However, this section does not prohibit an employee of the political subdivision from carrying out duties with respect to a petition or remonstrance that are part of the normal and regular conduct of the employee's office or agency.

(b) A person may not solicit or collect signatures for a petition or remonstrance on property owned or controlled by the political subdivision.

(c) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes a petition or remonstrance.

(d) A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation for the use of any of the school corporation's facilities may not spend any money to promote a position on the petition or remonstrance. A person or an organization that violates this subsection commits a Class A infraction.

(e) An attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project may not spend any money to promote a position on the petition or remonstrance. A person who violates this subsection:

(1) commits a Class A infraction; and

(2) is barred from performing any services with respect to the controlled project.

SECTION 10. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 10.1. (a) This section applies only to a political subdivision that, after June 30, 2007, adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease.**

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(b) During the period beginning with the adoption of the ordinance or resolution and continuing through the day on which a local public question is submitted to the voters of the political subdivision under section 3.6 of this chapter, the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the local public question by doing any of the following:

(1) Allowing facilities or equipment, including mail and messaging systems, owned by the political subdivision to be used for public relations purposes to promote a position on the local public question, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.

(2) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the local public question. This subdivision does not prohibit a political subdivision from making an expenditure of money to an attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.

(3) Using an employee to promote a position on the local public question during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the local public question at any time.

(4) In the case of a school corporation, promoting a position on a local public question by:

(A) using students to transport written materials to their residences or in any way directly involving students in a school organized promotion of a position; or

(B) including a statement within another communication sent to the students' residences.

However, this section does not prohibit an employee of the political subdivision from carrying out duties with respect to a local public question that are part of the normal and regular conduct of the employee's office or agency.

(c) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes a controlled project subject to a local public question held under section 3.6 of this chapter.

(d) A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation for the use of any of the school corporation's facilities

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1 may not spend any money to promote a position on a local public
 2 question. A person or an organization that violates this subsection
 3 commits a Class A infraction.

4 (e) An attorney, an architect, a construction manager, or a
 5 financial adviser for professional services provided with respect to
 6 a controlled project may not spend any money to promote a
 7 position on a local public question. A person who violates this
 8 subsection:

9 (1) commits a Class A infraction; and

10 (2) is barred from performing any services with respect to the
 11 controlled project.

12 SECTION 11. IC 8-14-9-12 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. All bonds and
 14 interest on bonds issued under this chapter are exempt from taxation as
 15 provided under IC 6-8-5-1. All general laws relating to:

16 (1) the filing of a petition requesting the issuance of bonds;

17 (2) the right of taxpayers to:

18 (A) remonstrate against the issuance of bonds; or

19 (B) vote on the proposed issuance of bonds in an election
 20 on a local public question;

21 (3) the appropriation of the proceeds of the bonds and the
 22 approval of the appropriation by the department of local
 23 government finance; and

24 (4) the sale of bonds at public sale for not less than par value;

25 are applicable to proceedings under this chapter.

26 SECTION 12. IC 8-22-3-16 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. (a) The board may
 28 issue general obligation bonds of the authority for the purpose of
 29 procuring funds to pay the cost of acquiring real property, or
 30 constructing, enlarging, improving, remodeling, repairing, or equipping
 31 buildings, structures, runways, or other facilities, for use as or in
 32 connection with or for administrative purposes of the airport. The
 33 issuance of the bonds must be authorized by ordinance of the board
 34 providing for the amount, terms, and tenor of the bonds and for the
 35 time and character of notice and the mode of making sale. If one (1)
 36 airport is owned by the authority, an ordinance authorizing the issuance
 37 of bonds for a separate second airport is subject to approval as provided
 38 in this section. The bonds bear interest and are payable at the times and
 39 places that the board determines but running not more than twenty-five
 40 (25) years after the date of their issuance, and they must be executed in
 41 the name of the authority by the president of the board and attested by
 42 the secretary who shall affix to each of the bonds the official seal of the

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1 authority. The interest coupons attached to the bonds may be executed
2 by placing on them the facsimile signature of the president of the
3 board.

4 (b) The issuance of general obligation bonds must be approved by
5 resolution of the following body:

6 (1) When the authority is established by an eligible entity, by its
7 fiscal body.

8 (2) When the authority is established by two (2) or more eligible
9 entities acting jointly, by the fiscal body of each of those entities.

10 (3) When the authority was established under IC 19-6-2 **(before**
11 **its repeal)**, by the mayor of the consolidated city, and if a second
12 airport is to be funded, also by the city-county council.

13 (4) When the authority was established under IC 19-6-3 **(before**
14 **its repeal)**, by the county council.

15 (c) The airport director shall manage and supervise the preparation,
16 advertisement, and sale of the bonds, subject to the authorizing
17 ordinance. Before the sale of the bonds, the airport director shall cause
18 notice of the sale to be published once each week for two (2)
19 consecutive weeks in two (2) newspapers of general circulation
20 published in the district, setting out the time and place where bids will
21 be received, the amount and maturity dates of the issue, the maximum
22 interest rate, and the terms and conditions of sale and delivery of the
23 bonds. The bonds shall be sold to the highest bidder, in accordance
24 with the procedures for selling public bonds. After the bonds have been
25 properly sold and executed, the airport director shall deliver them to the
26 treasurer of the authority and take ~~his~~ a receipt for them, and shall
27 certify to the treasurer the amount which the purchaser is to pay for
28 them, together with the name and address of the purchaser. On payment
29 of the purchase price the treasurer shall deliver the bonds to the
30 purchaser, and the treasurer and airport director or superintendent shall
31 report their actions to the board.

32 (d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

33 (1) the filing of a petition requesting the issuance of bonds and
34 giving notice of them;

35 (2) the giving of notice of determination to issue bonds;

36 (3) the giving of notice of hearing on the appropriation of the
37 proceeds of bonds and the right of taxpayers to appeal and be
38 heard on the proposed appropriation;

39 (4) the approval of the appropriation by the department of local
40 government finance;

41 (5) the right of taxpayers to:

42 (A) remonstrate against the issuance of bonds; or

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1 **(B) vote on the proposed issuance of bonds in an election**
 2 **on a local public question; and**

3 **(6) the sale of bonds at public sale for not less than par value;**
 4 are applicable to proceedings under this chapter for the issuance of
 5 general obligation bonds.

6 (e) Bonds issued under this chapter are not a corporate obligation or
 7 indebtedness of any eligible entity but are an indebtedness of the
 8 authority as a municipal corporation. An action to question the validity
 9 of the bonds issued or to prevent their issue must be instituted not later
 10 than the date set for sale of the bonds, and all of the bonds after that
 11 date are incontestable.

12 SECTION 13. IC 12-29-1-5 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. All general Indiana
 14 statutes relating to the following apply to the issuance of county bonds
 15 under this chapter:

16 (1) The filing of a petition requesting the issuance of bonds.

17 (2) The giving of notice of the following:

18 (A) The filing of the petition requesting the issuance of the
 19 bonds.

20 (B) The determination to issue bonds.

21 (C) A hearing on the appropriation of the proceeds of the
 22 bonds.

23 (3) The right of taxpayers to appear and be heard on the proposed
 24 appropriation.

25 (4) The approval of the appropriation by the department of local
 26 government finance.

27 (5) The right of taxpayers to:

28 (A) remonstrate against the issuance of bonds; or

29 **(B) vote on the proposed issuance of bonds in an election**
 30 **on a local public question.**

31 SECTION 14. IC 12-29-2-18 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. All general Indiana
 33 statutes relating to the following apply to the issuance of county bonds
 34 under this chapter:

35 (1) The filing of a petition requesting the issuance of bonds.

36 (2) The giving of notice of the following:

37 (A) The filing of the petition requesting the issuance of the
 38 bonds.

39 (B) The determination to issue bonds.

40 (C) A hearing on the appropriation of the proceeds of the
 41 bonds.

42 (3) The right of taxpayers to appear and be heard on the proposed

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appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question.

SECTION 15. IC 14-27-6-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of determination to issue bonds.

(3) The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question.

(6) The sale of bonds at public sale for not less than the par value.

SECTION 16. IC 14-33-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) Before offering bonds for sale, the board shall give notice in the same manner as is **provided required by IC 6-1.1-20** for the sale of bonds by municipal corporations.

(b) Persons affected are entitled to:

(1) remonstrate against issuance of the bonds **(in the case of a preliminary determination made before July 1, 2007, to issue bonds); or**

(2) vote on the proposed issuance of bonds in an election on a local public question (in the case of a preliminary determination made after June 30, 2007, to issue bonds).

(c) An action to question the validity of the bonds may not be instituted after the date fixed for sale, and the bonds are incontestable after that time.

SECTION 17. IC 14-33-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. If the board is denied the right to issue bonds as a result of remonstrance proceedings **or an**

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election on a local public question held under IC 6-1.1-20-3.6:

(1) all contracts let by the board for work to be paid from the sale of bonds are void; and

(2) no liability accrues to the district or to the board.

SECTION 18. IC 16-22-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) If the execution of the original or a modified lease is authorized, notice of the signing shall be published on behalf of the county one (1) time in a newspaper of general circulation and published in the county. Except as provided in subsection (b), at least ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease may file a petition with the county auditor not more than thirty (30) days after publication of notice of the execution of the lease. The petition must set forth the objections to the lease and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.

(b) The authority for taxpayers to object to a proposed lease described in subsection (a) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~ **IC 6-1.1-20.**

SECTION 19. IC 16-22-8-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 43. (a) The board may issue general obligation bonds of the corporation to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings and other structures for use as or in connection with hospitals, clinics, health centers, dispensaries, or for administrative purposes. The issuance of the bonds shall be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance and shall be executed in the name of the corporation by the chairman of the board and attested by the executive director, who shall affix to each of the bonds the official seal of the corporation. The interest coupons attached to the bonds may be executed by facsimile signature of the chairman of the board.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing ordinance. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and

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the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

(1) Notice and filing of the petition requesting the issuance of the bonds.

(2) Notice of determination to issue bonds.

(3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.

(4) Approval by the department of local government finance.

(5) The right to:

(A) remonstrate; or

(B) vote on the proposed issuance of bonds in an election on a local public question.

(6) Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes, but the interest is subject to the adjusted gross income tax.

SECTION 20. IC 20-46-7-8, AS AMENDED BY P.L.192-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) A school corporation must file a petition requesting approval from the department of local government finance to:

(1) incur bond indebtedness;

(2) enter into a lease rental agreement; or

(3) repay from the debt service fund loans made for the purchase of school buses under IC 20-27-4-5;

not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~, **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable**, unless the school corporation demonstrates that a longer

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period is reasonable in light of the school corporation's facts and circumstances.

(b) A school corporation must obtain approval from the department of local government finance before the school corporation may:

- (1) incur the indebtedness;
- (2) enter into the lease agreement; or
- (3) repay the school bus purchase loan.

(c) This restriction does not apply to property taxes that a school corporation levies to pay or fund bond or lease rental indebtedness created or incurred before July 1, 1974. In addition, this restriction does not apply to a lease agreement or a purchase agreement entered into between a school corporation and the Indiana bond bank for the lease or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease agreement or purchase agreement conforms with the school corporation's ten (10) year school bus ~~replacement~~ **acquisition** plan approved by the department of local government finance under IC 21-2-11.5-3.1 **(before its repeal) or IC 20-46-5.**

(d) This section does not apply to school bus purchase loans made by a school corporation that will be repaid solely from the general fund of the school corporation.

SECTION 21. IC 20-47-4-6, AS ADDED BY P.L.2-2006, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) A lessor corporation may acquire and finance an existing school building, other than as provided in section 5 of this chapter, and lease the existing school building to a school corporation. A school corporation shall comply with:

(1) IC 20-47-2 or IC 20-47-3; and

(2) **either:**

(A) the petition and remonstrance provisions under IC 6-1.1-20 **(in the case of a preliminary determination made before July 1, 2007, to enter into a lease); or**

(B) the local public question provisions under IC 6-1.1-20 **(in the case of a preliminary determination made after June 30, 2007, to enter into a lease).**

(b) A lease made under this section may provide for the payment of lease rentals by the school corporation for the use of the existing school building.

(c) Lease rental payments made under the lease do not constitute a debt of the school corporation for purposes of the Constitution of the State of Indiana.

(d) A new school building may be substituted for the existing school building under the lease if the substitution was included in the notices

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given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school building must be substituted for the existing school building upon completion of the new school building.

SECTION 22. IC 20-48-1-8, AS ADDED BY P.L.2-2006, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. The provisions of all general statutes and rules relating to:

- (1) filing petitions requesting the issuance of bonds and giving notice of the issuance of bonds;
- (2) giving notice of determination to issue bonds;
- (3) giving notice of a hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appear and be heard on the proposed appropriation;
- (4) the approval of the appropriation by the department of local government finance; and
- (5) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question;**

apply to proceedings for the issuance of bonds and the making of an emergency loan under this article and IC 20-26-1 through IC 20-26-5. An action to contest the validity of the bonds or emergency loans may not be brought later than five (5) days after the acceptance of a bid for the sale of the bonds.

SECTION 23. IC 36-3-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

- (1) hold all required hearings;
- (2) adopt all necessary resolutions; and
- (3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

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- (1) be dated;
- (2) be issued in any denomination;
- (3) mature at any time or times not exceeding fifty (50) years after their date; and
- (4) be payable at any bank or banks;

as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local government finance.
- (5) The right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; ~~and~~ or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question.**

(6) The sale of bonds at public sale.

SECTION 24. IC 36-5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local government finance.
- (5) The right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; ~~and~~ or

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**(B) vote on the proposed issuance of bonds in an election
on a local public question.**

(6) The sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 25. IC 36-7-14-25.1, AS AMENDED BY P.L.185-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

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(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and
 (4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit, and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district, may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable,

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as set forth in the bond resolution of the redevelopment commission:

- (1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;
- (2) from the tax proceeds allocated under section 39(b)(2) of this chapter;
- (3) from other revenues available to the redevelopment commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question;**

apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or

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in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission is equal to or greater than three million dollars (\$3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit.

SECTION 26. IC 36-7-14.5-12.5, AS AMENDED BY P.L.1-2006, SECTION 567, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or

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1 interest in real property needed for the redevelopment of
 2 economic development areas located within the corporate
 3 boundaries of the unit.

4 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
 5 other instrument), exchange, lease, rent, or otherwise dispose of
 6 property acquired for use in the redevelopment of economic
 7 development areas on the terms and conditions that the authority
 8 considers best for the unit and the unit's inhabitants.

9 (3) Sell, lease, or grant interests in all or part of the real property
 10 acquired for redevelopment purposes to any other department of
 11 the unit or to any other governmental agency for public ways,
 12 levees, sewerage, parks, playgrounds, schools, and other public
 13 purposes on any terms that may be agreed on.

14 (4) Clear real property acquired for redevelopment purposes.

15 (5) Repair and maintain structures acquired for redevelopment
 16 purposes.

17 (6) Remodel, rebuild, enlarge, or make major structural
 18 improvements on structures acquired for redevelopment purposes.

19 (7) Survey or examine any land to determine whether the land
 20 should be included within an economic development area to be
 21 acquired for redevelopment purposes and to determine the value
 22 of that land.

23 (8) Appear before any other department or agency of the unit, or
 24 before any other governmental agency in respect to any matter
 25 affecting:

26 (A) real property acquired or being acquired for
 27 redevelopment purposes; or

28 (B) any economic development area within the jurisdiction of
 29 the authority.

30 (9) Institute or defend in the name of the unit any civil action, but
 31 all actions against the authority must be brought in the circuit or
 32 superior court of the county where the authority is located.

33 (10) Use any legal or equitable remedy that is necessary or
 34 considered proper to protect and enforce the rights of and perform
 35 the duties of the authority.

36 (11) Exercise the power of eminent domain in the name of and
 37 within the corporate boundaries of the unit subject to the same
 38 conditions and procedures that apply to the exercise of the power
 39 of eminent domain by a redevelopment commission under
 40 IC 36-7-14.

41 (12) Appoint an executive director, appraisers, real estate experts,
 42 engineers, architects, surveyors, and attorneys.

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(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by

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1 following the procedures set forth in IC 36-7-14-39 for the
 2 establishment of an allocation area by a redevelopment commission.
 3 The allocation provision may modify the definition of "property taxes"
 4 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
 5 depreciable personal property located and taxable on the site of
 6 operations of designated taxpayers in accordance with the procedures
 7 applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
 8 applies to such a modification. An allocation area established by an
 9 authority under this section is a special taxing district authorized by the
 10 general assembly to enable the unit to provide special benefits to
 11 taxpayers in the allocation area by promoting economic development
 12 that is of public use and benefit. For allocation areas established for an
 13 economic development area created under this section after June 30,
 14 1997, and to the expanded portion of an allocation area for an
 15 economic development area that was established before June 30, 1997,
 16 and that is expanded under this section after June 30, 1997, the net
 17 assessed value of property that is assessed as residential property under
 18 the rules of the department of local government finance, as finally
 19 determined for any assessment date, must be allocated. All of the
 20 provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5
 21 apply to an allocation area created under this section, except that the
 22 authority shall be vested with the rights and duties of a commission as
 23 referenced in those sections, and except that, notwithstanding
 24 IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation
 25 fund may be used by the authority only to do one (1) or more of the
 26 following:

- 27 (1) Pay the principal of and interest and redemption premium on
- 28 any obligations incurred by the special taxing district or any other
- 29 entity for the purpose of financing or refinancing military base
- 30 reuse activities in or serving or benefiting that allocation area.
- 31 (2) Establish, augment, or restore the debt service reserve for
- 32 obligations payable solely or in part from allocated tax proceeds
- 33 in that allocation area or from other revenues of the authority
- 34 (including lease rental revenues).
- 35 (3) Make payments on leases payable solely or in part from
- 36 allocated tax proceeds in that allocation area.
- 37 (4) Reimburse any other governmental body for expenditures
- 38 made by it for local public improvements or structures in or
- 39 serving or benefiting that allocation area.
- 40 (5) Pay all or a portion of a property tax replacement credit to
- 41 taxpayers in an allocation area as determined by the authority.
- 42 This credit equals the amount determined under the following

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STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or

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1 directly serving or ~~benefitting~~ **benefitting** an economic development
 2 area created by an authority under this section, and in anticipation of
 3 the taxes allocated under subsection (d), other revenues of the
 4 authority, or any combination of these sources, the authority may, by
 5 resolution, issue the bonds of the special taxing district in the name of
 6 the unit. Bonds issued under this section may be issued in any amount
 7 without limitation. The following apply if such a resolution is adopted:

8 (1) The authority shall certify a copy of the resolution authorizing
 9 the bonds to the municipal or county fiscal officer, who shall then
 10 prepare the bonds. The seal of the unit must be impressed on the
 11 bonds, or a facsimile of the seal must be printed on the bonds.

12 (2) The bonds must be executed by the appropriate officer of the
 13 unit and attested by the unit's fiscal officer.

14 (3) The bonds are exempt from taxation for all purposes.

15 (4) Bonds issued under this section may be sold at public sale in
 16 accordance with IC 5-1-11 or at a negotiated sale.

17 (5) The bonds are not a corporate obligation of the unit but are an
 18 indebtedness of the taxing district. The bonds and interest are
 19 payable, as set forth in the bond resolution of the authority:

20 (A) from the tax proceeds allocated under subsection (d);

21 (B) from other revenues available to the authority; or

22 (C) from a combination of the methods stated in clauses (A)
 23 and (B).

24 (6) Proceeds from the sale of bonds may be used to pay the cost
 25 of interest on the bonds for a period not to exceed five (5) years
 26 from the date of issuance.

27 (7) Laws relating to:

28 (A) the filing of petitions requesting the issuance of bonds;
 29 and

30 (B) the right of taxpayers to:

31 (i) remonstrate against the issuance of bonds; **or**

32 (ii) **vote on the proposed issuance of bonds in an election**
 33 **on a local public question;**

34 do not apply to bonds issued under this section.

35 (8) If a debt service reserve is created from the proceeds of bonds,
 36 the debt service reserve may be used to pay principal and interest
 37 on the bonds as provided in the bond resolution.

38 (9) If bonds are issued under this chapter that are payable solely
 39 or in part from revenues to the authority from a project or
 40 projects, the authority may adopt a resolution or trust indenture or
 41 enter into covenants as is customary in the issuance of revenue
 42 bonds. The resolution or trust indenture may pledge or assign the

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revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under ~~section 11~~ of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 27. IC 36-7-15.1-17, AS AMENDED BY P.L.185-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 19 of this chapter, the taxes allocated under section 26 of this

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chapter, or other revenues of the redevelopment district, the commission may, by resolution, issue the bonds of the redevelopment district in the name of the consolidated city and in accordance with IC 36-3-5-8. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;
- (4) the total cost of all clearing and construction work provided for in the resolution; and
- (5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If the commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements of the bond resolution for the registration of the bonds. The resolution authorizing the bonds must state:

- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the consolidated city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the city executive and attested by the fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The city fiscal officer shall sell the bonds according to law.

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Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

- (1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 19 of this chapter;
- (2) from the tax proceeds allocated under section 26(b)(2) of this chapter;
- (3) from other revenues available to the commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) Notwithstanding IC 36-3-5-8, the laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question;**

applicable to bonds issued under this chapter do not apply to bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to the commission from a project or projects, the commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation

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of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 28. IC 36-7-15.1-45, AS AMENDED BY P.L.185-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 45. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 50 of this chapter, the taxes allocated under section 53 of this chapter, or other revenues of the redevelopment district, a commission may, by resolution, issue the bonds of its redevelopment district in the name of the excluded city. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;
- (4) the total cost of all clearing and construction work provided for in the resolution; and
- (5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If a commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, a commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements concerning registration of the bonds. The resolution authorizing the bonds must state:

- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed fifty (50) years.

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The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the excluded city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the excluded city executive and attested by the excluded city fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the excluded city fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The excluded city fiscal officer shall sell the bonds according to law. Bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the excluded city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

- (1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 50 of this chapter;
- (2) from the tax proceeds allocated under section 53(b)(2) of this chapter;
- (3) from other revenues available to the commission; or
- (4) from a combination of the methods described in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) The laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds applicable to bonds issued under this chapter; or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question;**

do not apply to bonds payable solely or in part from tax proceeds

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1 allocated under section 53(b)(2) of this chapter, other revenues of the
2 commission, or any combination of these sources.

3 (k) If bonds are issued under this chapter that are payable solely or
4 in part from revenues to a commission from a project or projects, a
5 commission may adopt a resolution or trust indenture or enter into
6 covenants as is customary in the issuance of revenue bonds. The
7 resolution or trust indenture may pledge or assign the revenues from
8 the project or projects but may not convey or mortgage any project or
9 parts of a project. The resolution or trust indenture may also contain
10 any provisions for protecting and enforcing the rights and remedies of
11 the bond owners as may be reasonable and proper and not in violation
12 of law, including covenants setting forth the duties of the commission.
13 The commission may establish fees and charges for the use of any
14 project and covenant with the owners of bonds to set those fees and
15 charges at a rate sufficient to protect the interest of the owners of the
16 bonds. Any revenue bonds issued by the commission that are payable
17 solely from revenues of the commission must contain a statement to
18 that effect in the form of bond.

19 SECTION 29. IC 36-7-30-18 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) In addition to
21 other methods of raising money for property acquisition,
22 redevelopment, or economic development activities in or directly
23 serving or benefiting a military base reuse area, and in anticipation of
24 the taxes allocated under section 25 of this chapter, other revenues of
25 the district, or any combination of these sources, the reuse authority
26 may by resolution issue the bonds of the special taxing district in the
27 name of the unit.

28 (b) The reuse authority shall certify a copy of the resolution
29 authorizing the bonds to the municipal or county fiscal officer, who
30 shall then prepare the bonds. The seal of the unit must be impressed on
31 the bonds, or a facsimile of the seal must be printed on the bonds.

32 (c) The bonds must be executed by the appropriate officer of the
33 unit, and attested by the unit's fiscal officer.

34 (d) The bonds are exempt from taxation for all purposes.

35 (e) Bonds issued under this section may be sold at public sale in
36 accordance with IC 5-1-11 or at a negotiated sale.

37 (f) The bonds are not a corporate obligation of the unit but are an
38 indebtedness of the taxing district. The bonds and interest are payable,
39 as set forth in the bond resolution of the reuse authority, from any of
40 the following:

- 41 (1) The tax proceeds allocated under section 25 of this chapter.
- 42 (2) Other revenues available to the reuse authority.

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(3) A combination of the methods stated in subdivisions (1) through (2).

If the bonds are payable solely from the tax proceeds allocated under section 25 of this chapter, other revenues of the reuse authority, or any combination of these sources, the bonds may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the reuse authority, the reuse authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the reuse authority and properties becoming available to the reuse authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the reuse authority. The reuse authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the reuse authority that are payable solely from revenues of the reuse authority shall contain a statement to that effect in the form of the bond.

SECTION 30. IC 36-7-30.5-23, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 23. (a) In addition to other methods of raising money for property acquisition, redevelopment, reuse, or economic development activities in or directly serving or ~~benefitting~~ **benefitting** a military base development area, and in anticipation of the taxes allocated under section 30 of this chapter, other revenues of the district,

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or any combination of these sources, the development authority may by resolution issue the bonds of the development authority.

(b) The secretary-treasurer of the development authority shall prepare the bonds. The seal of the development authority must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the president of the development authority and attested by the secretary-treasurer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of a unit but are an indebtedness of only the development authority. The bonds and interest are payable, as set forth in the bond resolution of the development authority, from any of the following:

(1) The tax proceeds allocated under section 30 of this chapter.

(2) Other revenues available to the development authority.

(3) A combination of the methods stated in subdivisions (1) through (2).

The bonds issued under this section may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the development authority, the development authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the development authority and properties becoming available to the development authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the

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rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the development authority. The development authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the development authority that are payable solely from revenues of the development authority shall contain a statement to that effect in the form of the bond.

SECTION 31. IC 36-9-3-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the authorized officer of the board.

(e) The president of the authority shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take a receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On

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1 payment of the purchase price, the controller shall deliver the bonds to
 2 the purchaser, and the controller and executive director or president
 3 shall report their actions to the board.

4 (f) General obligation bonds issued under this section are subject to
 5 the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

6 (1) The filing of a petition requesting the issuance of bonds.

7 (2) The appropriation of the proceeds of bonds.

8 (3) The right of taxpayers to appeal and be heard on the proposed
 9 appropriation.

10 (4) The approval of the appropriation by the department of local
 11 government finance.

12 (5) The right of taxpayers to:

13 (A) remonstrate against the issuance of bonds; ~~and or~~

14 (B) **vote on the proposed issuance of bonds in an election**
 15 **on a local public question.**

16 (6) The sale of bonds for not less than their par value.

17 (g) Notice of the filing of a petition requesting the issuance of
 18 bonds, notice of determination to issue bonds, and notice of the
 19 appropriation of the proceeds of the bonds shall be given by posting in
 20 the offices of the authority for a period of one (1) week and by
 21 publication in accordance with IC 5-3-1.

22 (h) The bonds are not a corporate indebtedness of any unit, but are
 23 an indebtedness of the authority as a municipal corporation. A suit to
 24 question the validity of the bonds issued or to prevent their issuance
 25 may not be instituted after the date set for sale of the bonds, and after
 26 that date the bonds may not be contested for any cause.

27 (i) The bonds issued under this section and the interest on them are
 28 exempt from taxation for all purposes except the financial institutions
 29 tax imposed under IC 6-5.5 or a state inheritance tax imposed under
 30 IC 6-4.1.

31 SECTION 32. IC 36-9-4-45 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 45. (a) Bonds issued
 33 under this chapter:

34 (1) shall be issued in the denomination;

35 (2) are payable over a period not to exceed thirty (30) years from
 36 the date of the bonds; and

37 (3) mature;

38 as determined by the ordinance authorizing the bond issue.

39 (b) All bonds issued under this chapter, the interest on them, and the
 40 income from them are exempt from taxation to the extent provided by
 41 IC 6-8-5-1.

42 (c) The provisions of IC 6-1.1-20 relating to:

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- (1) filing petitions requesting the issuance of bonds and giving notice of those petitions;
- (2) giving notice of a hearing on the appropriation of the proceeds of the bonds;
- (3) the right of taxpayers to appear and be heard on the proposed appropriation;
- (4) the approval of the appropriation by the department of local government finance; and
- (5) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) **vote on the proposed issuance of bonds in an election on a local public question;**

apply to the issuance of bonds under this chapter.

(d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date.

SECTION 33. IC 36-10-3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars (\$1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at

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any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question;

(3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and

(4) the sale of bonds at public sale for not less than their par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 34. IC 36-10-4-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35. (a) In order to pay for:

(1) land to be acquired for any of the purposes of this chapter;

(2) an improvement authorized by this chapter; or

(3) both;

the board shall issue the bonds of the district in the name of the city in anticipation of the special benefits tax to be levied under this chapter. The amount of the bonds may not exceed the estimated cost of all land to be acquired and the estimated cost of all improvements provided in the resolution, including all expenses necessarily incurred in the proceedings and a sum sufficient to pay the estimated costs of supervision and inspection during the period of construction. Expenses include all expenses actually incurred preliminary to acquisition of the land and the construction work, such as the estimated cost of the

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necessary record, engineering expenses, publication of notices, preparation of bonds, and other expenses necessary to letting the contract and selling the bonds.

(b) The total amount of any benefits that have been assessed by the board and confirmed against lots and parcels of land, exclusive of improvements, lying within two thousand (2,000) feet on either side of the land to be acquired or of the improvement, however, shall be deducted from the estimated cost.

(c) If more than one (1) resolution or proceeding of the board under section 25 of this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the board at approximately the same time, the estimated cost involved under all of the resolutions and proceedings may be contained in one (1) issue of bonds.

(d) The bonds shall be issued in any denomination up to five thousand dollars (\$5,000) each. The bonds are negotiable instruments and bear interest at a rate established by the board and approved by the city legislative body.

(e) After adopting a resolution ordering the bonds, the board shall certify a copy of the resolution to the fiscal officer of the city. The fiscal officer shall then prepare the bonds, which shall be executed by the city executive and attested by the fiscal officer. The bonds are exempt from taxation for all purposes and are subject to IC 6-1.1-20 concerning:

(1) the filing of a petition requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question.

(f) All bonds shall be sold at not less than par value plus accrued interest to date of delivery by the city fiscal officer to the highest bidder after giving notice of the sale of the bonds by publication in accordance with IC 5-3-1.

(g) The bonds are subject to approval by the city legislative body, in the manner it prescribes by ordinance or resolution.

(h) The bonds are not corporate obligations or indebtedness of the city, but are an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all property of the district. The bonds must recite these terms upon their face, together with the purposes for which they are issued.

(i) An action to question the validity of bonds of the district or to prevent their issue may not be brought after the date set for the sale of

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1 the bonds.

2 (j) The board may, instead of selling the bonds in series, sell the
3 bonds to run for a period of five (5) years from the date of issue for the
4 purposes of this chapter at any rate of interest payable semiannually,
5 also exempt from taxation for all purposes. The board may sell bonds
6 in series to refund the five (5) year bonds.

7 SECTION 35. IC 36-10-7.5-22 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. (a) To raise money
9 to pay for land to be acquired for any of the purposes named in this
10 chapter or to pay for an improvement authorized by this chapter and in
11 anticipation of the special benefit tax to be levied as provided in this
12 chapter, the legislative body shall issue in the name of the township the
13 bonds of the district. The bonds may not exceed in amount the total
14 cost of all land to be acquired and all improvements described in the
15 resolution, including all expenses necessarily incurred in connection
16 with the proceedings, together with a sum sufficient to pay the costs of
17 supervision and inspection during the period of construction of a work.
18 The expenses to be covered in the bond issue include all expenses of
19 every kind actually incurred preliminary to acquiring the land and the
20 construction of the work, such as the cost of the necessary record,
21 engineering expenses, publication of notices, preparation of bonds, and
22 other necessary expenses. If more than one (1) resolution or proceeding
23 of the legislative body under this chapter is confirmed whereby
24 different parcels of land are to be acquired or more than one (1)
25 contract for work is let by the executive at approximately the same
26 time, the cost involved under all of the resolutions and proceedings
27 may be included in one (1) issue of bonds.

28 (b) The bonds may be issued in any denomination not less than one
29 thousand dollars (\$1,000) each, in not less than five (5) nor more than
30 forty (40) annual series. The bonds are payable one (1) series each
31 year, beginning at a date after the receipt of taxes from a levy made for
32 that purpose. The bonds are negotiable. The bonds may bear interest at
33 any rate, payable semiannually. After adopting a resolution ordering
34 bonds, the legislative body shall certify a copy of the resolution to the
35 township's fiscal officer. The fiscal officer shall prepare the bonds, and
36 the executive shall execute the bonds, attested by the fiscal officer.

37 (c) The bonds and the interest on the bonds are exempt from
38 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section
39 are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

40 (1) the filing of a petition requesting the issuance of bonds;

41 (2) the right of taxpayers to:

42 (A) remonstrate against the issuance of bonds; **or**

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1 **(B) vote on the proposed issuance of bonds in an election**
 2 **on a local public question;**

3 **(3)** the appropriation of the proceeds of the bonds with the
 4 approval of the department of local government finance; and

5 **(4)** the sale of bonds at public sale for not less than the par value
 6 of the bonds.

7 (d) The legislative body may not have bonds of the district issued
 8 under this section that are payable by special taxation when the total
 9 issue for that purpose, including the bonds already issued or to be
 10 issued, exceeds two percent (2%) of the total adjusted value of the
 11 taxable property in the district as determined under IC 36-1-15. All
 12 bonds or obligations issued in violation of this subsection are void. The
 13 bonds are not obligations or indebtedness of the township but constitute
 14 an indebtedness of the district as a special taxing district. The bonds
 15 and interest are payable only out of a special tax levied upon all the
 16 property of the district as prescribed by this chapter. A bond must
 17 recite the terms upon the face of the bond, together with the purposes
 18 for which the bond is issued.

19 SECTION 36. IC 36-10-8-16 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. (a) A capital
 21 improvement may be financed in whole or in part by the issuance of
 22 general obligation bonds of the county or, if the authority was created
 23 under IC 18-7-18 (before its repeal on February 24, 1982), also of the
 24 city, if the board determines that the estimated annual net income of the
 25 capital improvement, plus the estimated annual tax revenues to be
 26 derived from any tax revenues made available for this purpose, will not
 27 be sufficient to satisfy and pay the principal of and interest on all bonds
 28 issued under this chapter, including the bonds then proposed to be
 29 issued.

30 (b) If the board desires to finance a capital improvement in whole
 31 or in part as provided in this section, it shall have prepared a resolution
 32 to be adopted by the county executive authorizing the issuance of
 33 general obligation bonds, or, if the authority was created under
 34 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body
 35 of the city authorizing the issuance of general obligation bonds. The
 36 resolution must set forth an itemization of the funds and assets received
 37 by the board, together with the board's valuation and certification of the
 38 cost. The resolution must state the date or dates on which the principal
 39 of the bonds is payable, the maximum interest rate to be paid, and the
 40 other terms upon which the bonds shall be issued. The board shall
 41 submit the proposed resolution to the proper officers, together with a
 42 certificate to the effect that the issuance of bonds in accordance with

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the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, ~~as at~~ the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance of bonds in an election on a local public question;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 37. IC 36-10-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the

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1 resolution will be in compliance with this section. The certificate must
 2 also state the estimated annual net income of the capital improvement
 3 to be financed by the bonds, the estimated annual tax revenues, and the
 4 maximum amount payable in any year as principal and interest on the
 5 bonds issued under this chapter, including the bonds proposed to be
 6 issued, at the maximum interest rate set forth in the resolution. The
 7 bonds issued may mature over a period not exceeding forty (40) years
 8 from the date of issue.

9 (c) Upon receipt of the resolution and certificate, the board of
 10 commissioners of the county may adopt them and take all action
 11 necessary to issue the bonds in accordance with the resolution. An
 12 action to contest the validity of bonds issued under this section may not
 13 be brought after the fifteenth day following the receipt of bids for the
 14 bonds.

15 (d) The provisions of all general statutes relating to:

16 (1) the filing of a petition requesting the issuance of bonds and
 17 giving notice;

18 (2) the right of taxpayers to:

19 (A) remonstrate against the issuance of bonds; or

20 (B) **vote on the proposed issuance of bonds in an election**
 21 **on a local public question;**

22 (3) the giving of notice of the determination to issue bonds;

23 (4) the giving of notice of a hearing on the appropriation of the
 24 proceeds of bonds;

25 (5) the right of taxpayers to appear and be heard on the proposed
 26 appropriation;

27 (6) the approval of the appropriation by the department of local
 28 government finance; and

29 (7) the sale of bonds at public sale for not less than par value;

30 are applicable to the issuance of bonds under this section.

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